

WALLER, SMITH & PALMER, P. C.

TRACY WALLER (1862-1947)
J. RODNEY SMITH (1906-1979)
BIRDSEY G. PALMER (RETIRED)

WILLIAM W. MINER
ROBERT P. ANDERSON, JR.
ROBERT W. MARRION
HUGHES GRIFFIS
EDWARD B. O'CONNELL
FREDERICK B. GAHAGAN
LINDA D. LOUCONY
THEODORE M. LADWIG
GARRISON N. VALENTINE
MARY E. HOLZWORTH
CHERYL V. HELMS
RICHARD J. PASCAL
ROBERT J. CARY, JR.
TRACY M. COLLINS*
PASQUALE A. CAVALIERE
DONNA R. SKAATS*

OF COUNSEL
SUZANNE DONNELLY KITCHINGS

* ALSO ADMITTED IN MASSACHUSETTS

COUNSELORS AT LAW
52 EUGENE O'NEILL DRIVE
P O BOX 88

NEW LONDON, CONNECTICUT 06320

TELEPHONE (203) 442-0367

TELECOPIER (203) 447-9915

FOUNDED IN 1885 AS WALLER & WALLER

MYSTIC OFFICE

MYSTIC PACKER BUILDING
12 ROOSEVELT AVENUE
P O BOX 134

MYSTIC, CONNECTICUT 06355

TELEPHONE (203) 572-9561

TELECOPIER (203) 572-8896

ESSEX OFFICE

10 NORTH MAIN STREET
ESSEX, CONNECTICUT 06426
TELEPHONE (203) 767-1333

17019

SEP 24 1990-3 30 PM

INTERSTATE COMMERCE COMMISSION

0-267A064 September 13, 1990

PLEASE REPLY TO

Interstate Commerce Commission
12th and Constitution Avenue, N.W.
Washington, DC 20423

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Attention: Mildred Lee

Re: New England Savings Bank/Soneco Service, Inc.

Dear Ms. Lee:

Enclosed for filing are an original and a notarized certified copy of a Security Agreement with the following information:

Debtor: Soneco Service, Inc.
185 South Road
Groton, CT 06340

Secured Party: New England Savings Bank
63 Eugene O'Neill Drive
New London, CT 06320

Equipment Covered: Twenty-five open top hopper railroad cars, 70 ton, 2,600 cubic feet capacity, 50° slopes, four pocket, build 1952, new bodies 1971-1973, car numbers SONX 1041 through and including 1065.

I have also enclosed a \$15.00 check to cover filing fees. If you have any questions, you can reach me at (203) 442-0367.

Very truly yours,

Mary E. Holzworth
Mary E. Holzworth, for
Waller, Smith & Palmer, P.C.

MEH/slr
Enclosure
06.10.87 G 12.50

Interstate Commerce Commission
Washington, D.C. 20423

9/25/90

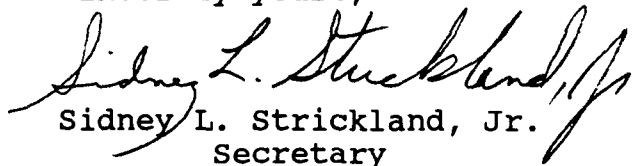
OFFICE OF THE SECRETARY

Mary E. Holzworth
Waller, Smith & Palmer
52 Eugene O'Neill Drive
P.O. Box 88
New London, Connecticut 06340

Dear Sir:

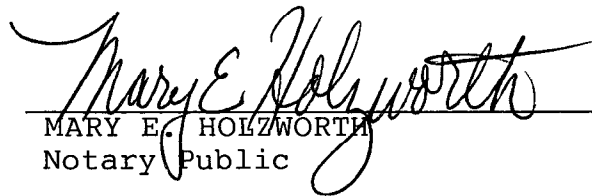
The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 9/24/90 at 3:20pm, and assigned recordation number(s). 17019

Sincerely yours,


Sidney L. Strickland, Jr.
Secretary

17019
RECORDED NO _____ FILED MS
SEP 24 1990 - 3 30 PM
INTERSTATE COMMERCE COMMISSION

CERTIFIED TO BE A TRUE AND
CORRECT COPY OF THE ORIGINAL
SECURITY AGREEMENT DATED
September 13, 1990



MARY E. HOLZWORTH
Notary Public



SECURITY AGREEMENT

3
AGREEMENT, dated *September 13*, 1990, between SONECO SERVICE, INC. (herein called "Debtor"), with a mailing address at 185 South Road, Groton, Connecticut 06340 and NEW ENGLAND SAVINGS BANK (herein called "Secured Party"), with a mailing address at 63 Eugene O'Neill Drive, New London, Connecticut 06320, said address being Secured Party's address at which information concerning Secured Party's security interest hereunder may be obtained.

17019
24 1990-3 30 PM
INTERSTATE COMMERCE COMMISSION

WHEREAS, Debtor desires to grant Secured Party a security interest pursuant to the Uniform Commercial Code as adopted in the State of Connecticut in the following property (herein collectively sometimes called the "Collateral"):

All fixtures, tangible personal property and equipment of Debtor, located at 185 South Road, Groton, CT, 70 Tower Avenue, Groton, CT, 53 Caroline Road, Montville, CT or elsewhere, whether now in the possession of the Debtor or hereafter acquired by way of replacement, substitution or addition, together with any and all proceeds which may arise out of the sale or transfer of the Collateral, used in connection with the 1986 Standard Haven Bituminous Concrete Plant in Groton, CT; the 1962 complete Asphalt Plant with computerized Genco burner in Groton, CT; the 1958 Erie Strayer Ready Mix Plant in Groton, CT; and the 1960 Cedar Rapids Model 60B Anhalt Plant with towers, burners and drums in Montville, CT; and including, without limitation, the following:

Twenty-five (25) Open top hopper railroad cars, 70 ton, 2,600 cubic feet capacity, 50° slopes, four pocket, build 1952, new bodies 1971-1973, Car Numbers SONX 1041-1065; and the following described crushing equipment: (i) Universal model 30 x 42 Portable Jaw Crushing Plant, Serial #WRB 29504; (ii) Pioneer model 50 VE-Duplex Crushing Plant with GMC V-12 power unit, Serial #50-VE-235; (iii) 30" x 50' lattice conveyor; (iv) 42" x 50' lattice conveyor with Ramsey belt scale; and (v) 30" x 100' lattice radial stacking conveyor; (vi) 1913 54 x 84 AC jaw crusher, together with all additions and accessions to the above-described property, as well as replacements therefor, and the products and proceeds which may arise out of the sale or transfer of the Collateral.

WHEREAS, Debtor upon the execution and delivery of this Agreement and completion of other required details, will borrow \$2,436,406.00 from the Secured Party as evidenced by its promissory note which is hereby incorporated in and made a part hereof as appears in Exhibit "A" attached hereto; and

WHEREAS, Debtor, upon the execution and delivery of this Agreement and completion of other required details, will guaranty the promissory note of Griswold Sand and Stone, Inc., given to Secured Party on this date in the amount of \$1,772,000.00, which promissory note and guaranty are hereby incorporated in and made a part hereof as appears in Exhibits "B" and "C" respectively attached hereto;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH That Debtor, intending to be legally bound, hereby grants to Secured Party a security interest in said Collateral in order to secure payment of: (1) all indebtedness owed by the Debtor and Griswold Sand and Stone, Inc. to the Secured Party; (2) all costs and expenses incurred in collection of the same; (3) all future advances made by Secured Party for taxes, levies, insurance and repairs to or maintenance of the goods constituting a part of said Collateral; (4) all advances by the Secured Party including any loan or advance by renewal or extension, heretofore, now or hereafter made to or for the account of the Debtor and Griswold Sand and Stone, Inc. at the option of the Secured Party; and (5) all other present or future, direct or contingent, liabilities of Debtor and Griswold Sand and Stone, Inc. to the Secured Party, together with interest on all of the foregoing, and intending to be legally bound, Debtor hereby grants to the Secured Party a security interest in such collateral.

Until default hereunder, Debtor shall be entitled to the possession of the collateral and to use and enjoy the same.

DEBTOR'S WARRANTIES AND AGREEMENTS:

The Debtor warrants and agrees that:

1. The collateral is or will be owned by the Debtor and is not subject to any security interest except that created by this Agreement, or to any liens or encumbrances except the prior lien of Citytrust, and Debtor will defend the collateral against claims and demands of all persons.

2. Debtor will not sell, exchange, lease, mortgage, encumber or pledge the collateral, create any security interest therein (except that created by this Agreement and the prior lien of Citytrust), or otherwise dispose of the collateral or any of Debtor's rights therein or under this Agreement without the prior written consent of the Secured Party, nor will Debtor remove such collateral from the State of Connecticut (except for temporary periods in the normal and customary use thereof) without such written consent.

3. Debtor will maintain the goods constituting collateral in good condition and repair, reasonable wear and tear excepted, and will pay and discharge all taxes, levies, and other impositions levied thereon as well as the cost of the repairs to or maintenance of the same; if Debtor fails to pay such sums, the Secured Party may do so for Debtor's account adding the amount thereof to the debt secured hereby.

4. Debtor will insure the goods constituting collateral against such risks and casualties and in such amount as the Secured Party shall require; all insurance policies shall be written for the benefit of Debtor and the Secured Party as their interest may appear and such policies or certificates evidencing the same shall be furnished to the Secured Party. If the Debtor fails to pay the premium on any such insurance, the Secured Party may do so for Debtor's account adding the amount thereof to the debt hereby secured. Debtor hereby assigns to the Secured Party any returned or unearned premiums which may be due upon cancellation of any such policies for any reason whatsoever and directs the insurers to pay the Secured Party any amounts so due. The Secured Party is hereby appointed Debtor's attorney-in-fact to endorse any draft or check which may be payable to Debtor in order to collect such return or unearned premiums or proceeds of such insurance; any balance of insurance proceeds remaining after payment in full or all amounts secured hereunder shall be paid to Debtor.

5. Debtor will not permit any of the goods constituting collateral to be removed from the location specified above without the prior written consent of the Secured Party, and will permit the Secured Party or its authorized attorneys, accountants and representatives to inspect the said collateral at any reasonable times.

6. At any time and from time to time upon request of Secured Party, Debtor shall execute and deliver to Secured Party, in form and substance satisfactory to Secured Party, such documents as Secured Party shall deem necessary or desirable to perfect or maintain perfected the security interest of Secured Party in the Collateral or which may be necessary to comply with the provisions of the law of the State of Connecticut or the law of any other jurisdiction in which Debtor may then be conducting business or in which any of the Collateral may be located.

7. Debtor will not permit any other security interest to attach to any of the collateral; permit the collateral to be levied upon under any legal process; or permit anything to be done that may impair the value of any of the collateral or the security intended to be afforded by this Agreement.

8. Debtor will pay all costs of filing any financing, continuation, or termination statement with respect to the security interest created by this Agreement; the Secured Party is hereby appointed Debtor's attorney-in-fact to do all acts and things which the Secured Party may deem necessary to perfect and continue perfected the security interest created by this Agreement and to protect the goods.

9. Debtor will promptly notify the Secured Party of any change in the location of any place of business and residence and of the establishment of any new place of business and residence.

10. The rights to proceed against the Collateral described herein are cumulative to any other rights to security that the Secured Party may have against the Debtor and these rights shall not be affected or limited by and do not affect or limit the rights of the Secured Party to proceed against any and all security granted herein or by any other instrument.

DEFAULT AND REMEDIES:

PROVIDED, HOWEVER, That in the event of default in the payment of such debt or any past or future advances, expenditures, or liabilities hereby secured, or in the event of default, of any payments required in the note attached hereto, or in the due observance or performance of any of the other conditions of agreements hereof; or in the event any of the warranties of Debtor herein contained shall prove to be false or misleading; or in the event that Debtor shall become insolvent or shall be adjudicated bankrupt, or shall make an assignment for the benefit of creditors; or bankruptcy, insolvency, reorganization, arrangement, debt adjustment, or liquidation proceedings, or receivership proceedings in which the Debtor is alleged to be insolvent or unable to pay his debts as they mature, shall be instituted by or against the Debtor, and if any of such proceedings are instituted against the Debtor, the Debtor shall consent to the same or admit in writing the material allegations of the petition filed in such proceedings or such proceedings shall not be dismissed within thirty (30) days after their institution; then in the occurrence of any of the above events, the Secured Party may declare the unpaid balance of such debt and all such advances, expenditures, and liabilities immediately due and payable without demand or notice, and the Secured Party may enter judgment on such note or otherwise reduce such debt, expenditures, and liabilities to judgment, and in addition proceed to exercise one or more of the rights accorded by the Uniform Commercial Code as adopted in the State of Connecticut, and in addition the Secured Party shall have the following rights and remedies:

a. Secured Party, and any officer or agent of Secured Party is hereby constituted and appointed as true and lawful attorney-in-fact of Debtor with power: (i) if Receivables are part of the Collateral, to notify or require Debtor to notify any and all account debtors or parties against which Debtor has a claim that the Receivables have been assigned to Secured Party and/or that Secured Party has a security interest therein and that all payments should be made to Secured Party; (ii) to endorse the name of Debtor upon any instruments of payment (including payments made under any policy of insurance) that may come into possession of Secured Party in full or part payment of any amount owing to Secured Party; (iii) to sign and endorse the name of Debtor upon any invoice, freight or express bill, bill of lading, storage or warehouse receipt, drafts against account debtors or other obligors and if Receivables are a part of Collateral, to sign and endorse the name of Debtor on any assignments, verifications and notices in connection with Receivables, and any instrument or document relating thereto or to rights of Debtor therein; (iv) to notify the post office authorities to change the address for delivery of mail of Debtor to an address designated by Secured Party and to receive, open and dispose of all mail addressed to Debtor; (v) and if Receivables are a part of the Collateral, to send requests for verification to account debtors or other obligors, (vi) to sell, assign, sue for, collect or compromise payment of all or any part of the Collateral in the name of Debtor or in its own name, or make any other disposition of Collateral, or any part thereof, which disposition may be for cash, credit or any combination thereof, and Secured Party may purchase all or any part of the Collateral at public or, if permitted by law, private sale, and in lieu of actual payment of such purchase price, may set-off the amount of such price against the Obligations; granting to Secured Party, as the attorney-in-fact of Debtor, full power of substitution and full power to do any and all things necessary to be done in and about the premises as fully and effectually as Debtor might or could do but for this appointment, and hereby ratifying all that said attorney-in-fact shall lawfully do or cause to be done by virtue hereof. Neither Secured Party nor its agents shall be liable for any acts or omissions or for any error of judgment or mistake of fact or law in its capacity as such attorney-in-fact. This power of attorney is coupled with an interest and shall be irrevocable so long as any Obligations shall remain outstanding.

b. Secured Party shall have the right to enter and/or remain upon the premises of Debtor without any obligation to pay rent to Debtor or others, or any other place or places where any of the Collateral is located and kept and: (a) remove Collateral therefrom to the premises of Secured Party or any agent of Secured Party, for such time as Secured Party may desire, in order to maintain, collect, sell and/or liquidate the Collateral or, (b) use such premises, together with materials, supplies, books and records of Debtor, to maintain possession and/or the condition of the Collateral, and to prepare the Collateral for selling, liquidating or collecting. Secured Party may require Debtor to assemble the Collateral and make it available to Secured Party at a place to be designated by Secured Party which is reasonably convenient to both parties.

c. Secured Party shall have the right to set-off, without notice to Debtor, any and all deposits or other sums at any time or times credited by or due from Secured Party, to Debtor, whether in a special account or other account or represented by a certificate of deposit (whether or not matured) which deposits and other sums shall at all times constitute additional security for the Obligations and may be set-off against all or any part of the Obligations at any time if Debtor is primary obligor with respect to such Obligations, or, at or after the maturity of Obligations, if Debtor is secondary obligor.

d. Secured Party shall have, in addition to any other rights and remedies contained in this Agreement, and any other agreements, guarantees, notes, instruments and documents heretofore, now or at any time or times hereafter executed by Debtor and delivered to Secured Party, all of the rights and remedies of a secured party under the Uniform Commercial Code all of which rights and remedies shall be cumulated, and none exclusive, to the extent permitted by law.

e. Any notice required to be given by Secured Party of a sale or other disposition or other intended action by Secured party with respect to any of the Collateral, or otherwise, made in accordance with the terms of this Agreement at least five (5) days prior to such proposed action, shall constitute fair and reasonable notice to Debtor of any such action. In the event that any of the Collateral is used in conjunction with any real estate, the sale of the collateral in conjunction with and as one parcel with any such real estate of Debtor, shall be deemed to be a commercially reasonable manner of sale. The net

.proceeds realized by Secured Party upon any such sale or other disposition, after deduction of the expenses or retaking, holding, preparing for sale, selling or the like and reasonable attorneys' fees and any other expenses incurred by Secured party, shall be applied toward satisfaction of the Obligations hereunder. Secured Party shall account to Debtor for any surplus realized upon such sale or other disposition and Debtor shall remain liable for any deficiency. The commencement of any action, legal or equitable, shall not affect the security interest of Secured Party in the Collateral until the Obligations hereunder or any judgment therefor are fully paid.

It is understood and agreed that this Agreement has been made and entered into pursuant to such Code and that the Secured Party has all rights and remedies accorded thereby. If any provisions of this Agreement shall for any reason be held to be invalid or unenforceable, such invalidity or unenforceability shall not affect any other provision hereof, but this Agreement shall be construed as if such invalid or unenforceable provision had never been contained herein.

The failure of Secured Party at any time or times hereafter to require strict performance by Debtor of any of the provisions, warranties, terms and conditions contained in this Agreement or in any other agreement, guaranty, note, instrument or document now or at any time or times hereafter executed by Debtor and delivered to Secured Party shall not waive, affect or diminish any right of Secured Party at any time or times hereafter to demand strict performance thereof; and, no rights of Secured Party hereunder shall be deemed to have been waived by any act or knowledge of Secured Party, its agents, officers or employees, unless such waiver is contained in an instrument in writing signed by an officer of Secured Party and directed to Debtor specifying such waiver. No waiver by Secured Party of any of its rights shall operate as a waiver of any other of its rights or any of its rights on a future occasion.

Any demand or notice required or permitted to be given hereunder shall be deemed effective when deposited in the United States mail, and sent by certified mail, return receipt requested, postage prepaid, addressed to Secured Party at Secured Party's Address or to Debtor at Debtor's Address, as applicable, or to such other address as may be provided by the party to be notified, on ten (10) days prior written notice to the other party.

In the event Secured Party seeks to take possession of any or all of the Collateral by court process, Debtor hereby irrevocably waives any bonds and any surety or security relating thereto required by any statute, court rule or otherwise as an incident to such possession, and waives any demand for possession prior to the commencement of any suit or action to recover with respect thereto.

This Agreement is and shall be deemed to be a contract entered into and made pursuant to the laws of the State of Connecticut and shall in all respects be governed, construed, applied and enforced in accordance with the laws of said state; in the event that the Secured Party brings any action hereunder in any court of record of Connecticut or the Federal Government, Debtor consents to and confers personal jurisdiction over Debtor by such court or courts and agrees that service of process may be made upon Debtor by mailing a copy of the summons to Debtor at Debtor's Address; and in any action hereunder Debtor waives the right to demand a trial by jury.

The rights and privileges of the Secured Party under this Agreement shall inure to the benefit of its personal representatives, heirs, successors and assigns. All covenants, warranties, and agreements of Debtor contained in this Agreement are joint and several and shall bind its personal representatives, heirs, successors and assigns.

The plural shall include the singular, the singular shall include the plural, and the neuter shall include the masculine and/or feminine, in all references herein, as the context and circumstances may require.

Witness the execution hereof, the day and year first above written.

Signed sealed and delivered
in the presence of:

Edward B. O'Reilly
Edward B. O'Reilly

Alice A. Wise
Alice A. Wise

James W. Freeman
JAMES W. FREEMAN

Alice A. Wise
Alice A. Wise

Sonoco Service, Inc.

By Christopher McLaughlin
Christopher McLaughlin
Its President

New England Savings Bank

By Ann E. Chambers
Ann E. Chambers
Its Vice President

STATE OF CONNECTICUT)
) ss. New London
COUNTY OF NEW LONDON)

On this the 13th day of September, 1990, before me, Mary E. Holzworth, the undersigned officer, personally appeared Christopher McLaughlin, who acknowledged himself to be the President of Sonoco Service, Inc., a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Mary E. Holzworth
~~Notary Public~~ MARY E. HOLZWORTH
Commissioner of the Superior Court

STATE OF CONNECTICUT)
) ss. New London
COUNTY OF NEW LONDON)

On this the 13 day of September, 1990, before me, Anne U. Freeman, the undersigned officer, personally appeared Ann E. Chambers, who acknowledged herself to be the Assistant Vice President of New England Savings Bank, a corporation, and that she as such Assistant Vice President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by herself as Assistant Vice President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Anne U. Freeman
~~Notary Public~~
Commissioner of the Superior Court

VARIABLE INTEREST RATE PROMISSORY NOTE

\$2,436,406.00

September 13, 1990

I. TERMS OF PAYMENT

FOR VALUE RECEIVED, the undersigned (each individually and all collectively hereinafter called the "Borrower") promises to pay to the order of NEW ENGLAND SAVINGS BANK, a banking corporation having an office at 63 Eugene O'Neill Drive, New London, Connecticut 06320 (hereinafter called the "Bank"); (the Bank and other payee, holder, purchase, or assignee of this Note are hereinafter referred to as the "Holder"), at any of its offices, the sum of TWO MILLION FOUR HUNDRED THIRTY-SIX THOUSAND FOUR HUNDRED SIX (\$2,436,406.00) DOLLARS (hereinafter referred to as the "principal"), with interest from the date hereof on the unpaid balance, until paid, at the rate set forth below, together with all taxes levied or assessed upon the sum against the Holder of this Note, all costs of collection, including a reasonable attorneys' fee incurred in any action for collection of this Note, protection of the Mortgage securing this Note or enforcing the terms of this Note and/or the Commercial Loan Agreement.

Principal shall be payable in one hundred and seven (107) equal monthly installments of Twenty-Two Thousand Five Hundred Fifty-Nine and Thirty-One One-Hundredths (\$22,559.31) Dollars on the first day of each and every month commencing October 1, 1990. A final principal payment shall be payable in the amount of Twenty-Two Thousand Five Hundred Fifty-Nine and Eighty-Three One-Hundredths (\$22,559.83) Dollars on September 1, 1999. Together with each monthly principal payment, Borrower shall also pay interest on the outstanding principal, monthly in arrears, at the rate set forth below.

If not sooner paid, the entire amount of all principal and interest under this Note shall be fully due and payable on September 1, 1999, (hereinafter referred to as the "Due Date") subject to the provisions for acceleration of the due date for payment as herein provided.

The outstanding balance of this Note shall bear interest from the date hereof until the Due Date, or until earlier paid, whether by acceleration or otherwise, at a variable interest rate always equal to one (1%) percentage point in excess of the Prime Rate (as hereinafter defined) on a floating basis. The term, "Prime Rate", shall mean the prime rate of interest of Citibank, New York, as announced from time to time by said Citibank; provided, however, that if the aforesaid prime rate

Exhibit A

of Citibank shall be discontinued or for any other reason shall not be available for determining the Bank's Prime Rate, the Holder shall select a substitute method for determining the Bank's Prime Rate and shall notify Borrower of such selection, which method shall, in Holder's estimation, yield results substantially similar to those that would have been yielded if the aforesaid prime rate of said Citibank were still available for such purpose. This Note shall bear interest at an initial rate of eleven percent (11.00%) per annum; accrued interest shall be paid monthly in arrears on the first day of each month commencing October 1, 1990. Each payment shall be applied first to the payment of interest on the unpaid balance of the principal at the rate herein provided and thereafter to the principal. Interest shall be computed on the basis of a 360-day year for the actual number of days elapsed on all sums advanced hereunder until such sums are fully paid.

If any payment of interest and/or principal is not received by Bank by the tenth (10th) day of the month, Borrower shall pay a late charge of five (5%) percent of the monthly overdue payment. In the event of any default, the interest rate on this Note shall increase by two (2%) percent over the rate then in effect on the date of default, on a floating basis, during the term of the default, which rate shall be applicable in the event of the entry of any judgment upon the Note or a judgment of foreclosure of the mortgage.

II. SECURITY INTEREST

1. The Holder hereof shall have a lien on, a security interest in, and during the existence of an Event of Default (as hereinafter defined), an option to set off, all deposits of the Borrower as allowed by law, at any time, in any checking, savings, or other account with Holder, in any order, against the indebtedness, without prior demand or notice, regardless of the adequacy of any collateral securing all or part of the indebtedness, and without resort to any legal process or judicial proceedings, or other authorization.

III. EVENTS OF DEFAULT; ACCELERATION

Upon failure to make any payment within ten (10) days of the due date thereof, or upon failure to perform any other obligation of the Borrower to the Holder under any instrument or document evidencing, governing or securing this Note or in the payment or performance of any other obligation whether evidenced by any agreement or instrument or otherwise, or in the event of any proceedings being instituted by or against the Borrower under any laws relating to bankruptcy, insolvency,

receivership, or arrangements with creditors (each of which is hereinafter called an "Event of Default"), or in the event that title or any interest in the premises mortgaged to secure the indebtedness is transferred to anyone other than the Borrower hereunder, thereupon, or at any time thereafter (such default not having previously been cured), the Holder may, without notice or demand, declare the indebtedness to be immediately due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

IV. NON-WAIVER BY HOLDER; SEVERABILITY

No modification or amendment hereof shall be effective unless in writing. No extension of time for payment, delay in enforcement hereof, nor any renewal of this Note, whether with or without notice, shall operate as a waiver of any rights hereunder or release or alter the obligations of the Borrower. No failure by Holder to enforce any of its rights hereunder or partial enforcement thereof, shall constitute a waiver thereof, or preclude the subsequent enforcement of such rights in the same or similar circumstances.

In the event that any provision hereof shall be found to be invalid or unenforceable under applicable law, such provision shall be invalid or unenforceable only to that extent and such invalidity or unenforceability shall not affect the remaining provisions of this Note.

V. JOINT AND SEVERAL OBLIGATION

This Note and all obligations hereunder shall be the joint and several obligations of all makers, and each provision hereof shall apply to each and all jointly and severally.

VI. COMMERCIAL TRANSACTION; WAIVER BY BORROWER

1. Borrower certifies that this is a commercial transaction.

2. Borrower represents and warrants to the Holder that all proceeds of this loan are to be used for commercial purposes, and none of such proceeds shall be used for personal, family, household, or agricultural purposes.

3. Borrower expressly waives all rights under Chapter 903a of the Connecticut General Statutes to any notice or hearing prior to the obtaining by Holder of any prejudgment remedy in connection with this Note, including, without

limitation, garnishment, attachment, or replevin against any property owned or possessed by Borrower.

4. Borrower waives presentment, demand, notice of dishonor, and protest of this Note.

VII. PREPAYMENT

Borrower may prepay this note in whole or in part at any time without penalty, however, any prepayment shall be applied first to the remotely occurring obligation hereunder.

SONECO SERVICE, INC.

By /s/ Christopher McLaughlin
Christopher McLaughlin
Its President

VARIABLE INTEREST RATE PROMISSORY NOTE

\$1,772,000.00

September / 3 , 1990

I. TERMS OF PAYMENT

FOR VALUE RECEIVED, the undersigned (each individually and all collectively hereinafter called the "Borrower") promises to pay to the order of NEW ENGLAND SAVINGS BANK, a banking corporation having an office at 63 Eugene O'Neill Drive, New London, Connecticut 06320 (hereinafter called the "Bank"); (the Bank and other payee, holder, purchase, or assignee of this Note are hereinafter referred to as the "Holder"), at any of its offices, the sum of ONE MILLION SEVEN HUNDRED SEVENTY-TWO THOUSAND (\$1,772,000.00) DOLLARS (hereinafter referred to as the "principal"), with interest from the date hereof on the unpaid balance, until paid, at the rate set forth below, together with all taxes levied or assessed upon the sum against the Holder of this Note, all costs of collection, including a reasonable attorneys' fee incurred in any action for collection of this Note, protection of the Mortgage securing this Note or enforcing the terms of this Note and/or the Commercial Loan Agreement.

Principal shall be payable in one hundred and thirteen (113) equal monthly installments of Fifteen Thousand Five Hundred Forty-Three and Eighty-Six One-Hundredths (\$15,543.86) Dollars on the first day of each and every month commencing October 1, 1990. A final principal payment shall be payable in the amount of Fifteen Thousand Five Hundred Forty-Three and Eighty-Two One-Hundredths (\$15,543.82) Dollars on March 1, 2000. Together with each monthly principal payment, Borrower shall also pay interest on the outstanding principal, monthly in arrears, at the rate set forth below.

If not sooner paid, the entire amount of all principal and interest under this Note shall be fully due and payable on March 1, 2000, (hereinafter referred to as the "Due Date") subject to the provisions for acceleration of the due date for payment as herein provided.

The outstanding balance of this Note shall bear interest from the date hereof until the Due Date, or until earlier paid, whether by acceleration or otherwise, at a variable interest rate always equal to one (1%) percentage point in excess of the Prime Rate (as hereinafter defined) on a floating basis. The term, "Prime Rate", shall mean the prime rate of interest of Citibank, New York, as announced from time to time by said Citibank; provided, however, that if the aforesaid prime rate

Exhibit B

of Citibank shall be discontinued or for any other reason shall not be available for determining the Bank's Prime Rate, the Holder shall select a substitute method for determining the Bank's Prime Rate and shall notify Borrower of such selection, which method shall, in Holder's estimation, yield results substantially similar to those that would have been yielded if the aforesaid prime rate of said Citibank were still available for such purpose. This Note shall bear interest at an initial rate of eleven percent (11.00%) per annum; accrued interest shall be paid monthly in arrears on the first day of each month commencing October 1, 1990. Each payment shall be applied first to the payment of interest on the unpaid balance of the principal at the rate herein provided and thereafter to the principal. Interest shall be computed on the basis of a 360-day year for the actual number of days elapsed on all sums advanced hereunder until such sums are fully paid.

If any payment of interest and/or principal is not received by Bank by the tenth (10th) day of the month, Borrower shall pay a late charge of five (5%) percent of the monthly overdue payment. In the event of any default, the interest rate on this Note shall increase by two (2%) percent over the rate then in effect on the date of default, on a floating basis, during the term of the default, which rate shall be applicable in the event of the entry of any judgment upon the Note or a judgment of foreclosure of the mortgage.

II. SECURITY INTEREST

1. The Holder hereof shall have a lien on, a security interest in, and during the existence of an Event of Default (as hereinafter defined), an option to set off, all deposits of the Borrower as allowed by law, at any time, in any checking, savings, or other account with Holder, in any order, against the indebtedness, without prior demand or notice, regardless of the adequacy of any collateral securing all or part of the indebtedness, and without resort to any legal process or judicial proceedings, or other authorization.

III. EVENTS OF DEFAULT; ACCELERATION

Upon failure to make any payment within ten (10) days of the due date thereof, or upon failure to perform any other obligation of the Borrower to the Holder under any instrument or document evidencing, governing or securing this Note or in the payment or performance of any other obligation whether evidenced by any agreement or instrument or otherwise, or in the event of any proceedings being instituted by or against the Borrower under any laws relating to bankruptcy, insolvency,

receivership, or arrangements with creditors (each of which is hereinafter called an "Event of Default"), or in the event that title or any interest in the premises mortgaged to secure the indebtedness is transferred to anyone other than the Borrower hereunder, thereupon, or at any time thereafter (such default not having previously been cured), the Holder may, without notice or demand, declare the indebtedness to be immediately due and payable. Failure to exercise such option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default.

IV. NON-WAIVER BY HOLDER; SEVERABILITY

No modification or amendment hereof shall be effective unless in writing. No extension of time for payment, delay in enforcement hereof, nor any renewal of this Note, whether with or without notice, shall operate as a waiver of any rights hereunder or release or alter the obligations of the Borrower. No failure by Holder to enforce any of its rights hereunder or partial enforcement thereof, shall constitute a waiver thereof, or preclude the subsequent enforcement of such rights in the same or similar circumstances.

In the event that any provision hereof shall be found to be invalid or unenforceable under applicable law, such provision shall be invalid or unenforceable only to that extent and such invalidity or unenforceability shall not affect the remaining provisions of this Note.

V. JOINT AND SEVERAL OBLIGATION

This Note and all obligations hereunder shall be the joint and several obligations of all makers, and each provision hereof shall apply to each and all jointly and severally.

VI. COMMERCIAL TRANSACTION; WAIVER BY BORROWER

1. Borrower certifies that this is a commercial transaction.

2. Borrower represents and warrants to the Holder that all proceeds of this loan are to be used for commercial purposes, and none of such proceeds shall be used for personal, family, household, or agricultural purposes.

3. Borrower expressly waives all rights under Chapter 903a of the Connecticut General Statutes to any notice or hearing prior to the obtaining by Holder of any prejudgment remedy in connection with this Note, including, without

limitation, garnishment, attachment, or replevin against any property owned or possessed by Borrower.

4. Borrower waives presentment, demand, notice of dishonor, and protest of this Note.

VII. PREPAYMENT

Borrower may prepay this note in whole or in part at any time without penalty, however, any prepayment shall be applied first to the remotely occurring obligation hereunder.

GRISWOLD SAND AND STONE, INC.

By /s/ Gary A. Gileau
Gary A. Gileau
Its President

JOINT AND SEVERAL GUARANTY

Agreement dated this 13th day of September, 1990 by CHRISTOPHER McLAUGHLIN of Stonington, Connecticut, NORTHEASTERN ENTERPRISES, INC., a Connecticut corporation having an office in Griswold, Connecticut and SONECO SERVICE, INC., a Connecticut corporation having an office in Groton, Connecticut (all of them being hereinafter called collectively the "Guarantors") in favor of NEW ENGLAND SAVINGS BANK, a bank organized and existing under the laws of the State of Connecticut with an office at 63 Eugene O'Neill Drive, New London, Connecticut 06320 (hereafter with its successors and assigns referred to as the "Bank").

W I T N E S S E T H:

WHEREAS, GRISWOLD SAND AND STONE, INC. (hereafter "Borrower") is a Connecticut corporation; and

WHEREAS, Borrower desires to borrow money from, and otherwise incur obligations to, the Bank; and

WHEREAS, the undersigned Christopher McLaughlin is a shareholder of Borrower; and Northeastern Enterprises, Inc. and Soneco Service, Inc. derive substantial business and/or revenues from the operation of Borrower; and the Guarantors acknowledge they will derive a direct and material financial benefit from or as a result of the transactions between the Bank and Borrower contemplated hereby.

NOW, THEREFORE, for valuable consideration, the receipt of which by the Guarantors is hereby acknowledged, and to induce the Bank to enter into such transactions, including without limitation a certain Note, Open-End Mortgage Deed and Assignment of Rents and Leases, Commercial Loan Agreement and Security Agreement from Borrower, of even date herewith (as the same may be amended from time to time, hereafter referred to as the "Loan Documents"), the Guarantors hereby covenant and agree as follows:

Section 1 - Definitions: Capitalized terms used herein without definition shall have the respective meanings ascribed to them in the Mortgage.

Section 2 - Guaranty: The Guarantors absolutely, unconditionally and irrevocably, jointly and severally, guarantee without deduction by reason of set-off, defense, or counterclaim:

(a) The prompt and full payment of any and all amounts now or hereafter payable by Borrower pursuant to the Loan Documents as and when the same shall become due and payable (whether on a

Exhibit C

date fixed for repayment, by acceleration or otherwise) in accordance with the respective terms thereof; and

(b) The prompt, full, faithful performance and discharge of all other obligations, undertakings and liabilities of Borrower under the Loan Documents in accordance with the respective terms thereof.

If Borrower shall fail to pay any such amount when and as the same shall be due and payable, or to perform and discharge any such obligation, undertaking or liability in accordance with the respective terms of the Loan Documents, each Guarantor shall be jointly and severally liable to forthwith pay an amount equal to any such amount or perform and discharge any such obligation, undertaking or liability, as the case may be, as is required to be paid, performed or discharged by Borrower, and will further pay any and all reasonable expenses, including attorneys' fees, that may be incurred by the Bank in enforcing such obligations and liabilities of Borrower and in enforcing the covenants and agreements of such Guarantor herein. The Guarantors shall be bound under the Joint and Several Guaranty to the Bank and any other holder, as if the Loan Documents were the primary obligation of Guarantors.

Section 3 - Continuing Nature of Guaranty: Each Guarantor shall remain jointly and severally, irrevocably and unconditionally liable as primary obligor until the full amount of the principal of the Note, with interest, and any other sums, now or hereafter due, or to become due thereunder, shall have been fully paid and the terms, covenants and conditions of the Loan Documents shall have been fully performed and observed by Borrower, and until all payments made by Borrower are not subject to rescission or repayment upon any bankruptcy, receivership, insolvency, moratorium or similar proceeding affecting the Borrower, notwithstanding any act, omission or thing which might otherwise operate as a legal or equitable discharge of Guarantor. If any payment made by Borrower to the Bank with respect to any obligations, undertakings and liabilities hereby guaranteed is recovered from, or repaid by, the Bank in whole or in part in any bankruptcy, insolvency or similar proceeding instituted by or against Borrower, this Guaranty shall continue to be fully applicable to such obligations, undertakings and liabilities to the same extent as though the payment so recovered or repaid had never been originally made on such liabilities.

Section 4 - Unconditional Character of Obligations of Guarantors: The obligations of each Guarantor hereunder shall be absolute, irrevocable, continuing and unconditional, irrespective of, and shall not be impaired, altered or affected

by the invalidity, irregularity or unenforceability of any provision of the Loan Documents or this Agreement; any compromise, alteration, amendment, modification, extension, or renewal thereof; the full or partial release of Borrower or any Guarantor; or other change of, or any waiver, consent or other action or failure to act in respect of, any of the terms, covenants, or conditions of any of the foregoing or any documents referred to therein; the recovery of any judgment against any person or any action to enforce the same; any impairment, substitution, exchanges, sale, or releases of all or any part of any Collateral, whether or not the same occurs in a commercially reasonable manner, or with or without notice to the Guarantor; any failure or delay in the enforcement of the obligations of Borrower under the Loan Documents; or any other circumstances which might otherwise constitute a legal or equitable defense or discharge of a guarantor or surety, or which might otherwise limit recourse against any Guarantor by the Bank, all of which are hereby waived. The liability of each Guarantor hereunder is direct and unconditional and may be enforced without requiring the Bank to first resort to any other right, remedy or security.

Section 5 - Right to Deal with Borrower: At any time and from time to time, without terminating, affecting or impairing the validity of this Agreement or the obligations of any Guarantor hereunder, the Bank may deal with Borrower in the same manner and as fully as if this Agreement did not exist and shall be entitled, among other things, to grant to Borrower such extension or extensions of time to perform, or to waive any obligation of Borrower to perform, any act or acts as may to the Bank seem advisable.

Section 6 - Guaranty Not Affected by Acts of Borrower: The validity of this Agreement, and the obligations of each Guarantor hereunder and the rights of the Bank to enforce the same by proceedings, whether by action at law, suit in equity or otherwise, shall not be terminated, affected or impaired by reason of the filing by or against Borrower of a petition under any bankruptcy or reorganization law or for the appointment of a receiver, trustee or liquidator of Borrower or the application of Borrower for a moratorium or for an arrangement with creditors or a material part hereof, or the making by Borrower of a general assignment for the benefit of creditors, or the taking of a general assignment for the benefit of creditors, or the taking by Borrower of any action for the purpose of effecting any of the foregoing, or any limitations placed on the liability of Borrower in any bankruptcy, reorganization or similar proceedings, or any assignment by the Bank or Borrower of any interest in the Loan Documents or any

of the collateral for the Note or other property, or any change in the identity, or the ownership of capital stock, of Borrower.

Section 7 - Guaranty Not Affected by Other Agreements: The covenants and agreements of each Guarantor in this Agreement shall not be terminated, affected or impaired by reason of the terms or provisions of any other agreement or agreements to which Borrower or any Guarantor shall be a party, and, notwithstanding any such terms or provisions, the obligations of each Guarantor shall be as herein expressed.

Section 8 - Certain Rights and Powers of the Bank: The Bank may proceed to protect and enforce any or all of its right under this Agreement by suit in equity, action at law or by other appropriate proceedings, whether for the specific performance of any covenants or agreements contained in the Loan Documents or this Agreement, or otherwise, or to take any action authorized or permitted under applicable law, and shall be entitled to require and enforce the performance of all acts and things required to be performed hereunder by each Guarantor immediately upon default of the Borrower, without any suit or action against the Borrower. Each and every remedy shall, to the extent permitted by law, be cumulative and shall be in addition to any other remedy given hereunder or now or hereafter existing at law or in equity.

Section 9 - Subordination of Guarantors: Any debts, obligations, or claims of a Guarantor against Borrower arising from any source whatsoever, including without limitation, payments made by such Guarantor pursuant to the provisions of this Agreement, shall be in all respects subject and subordinate to the full and complete payment or performance and discharge, as the case may be, of the principal of and interest on the Note, and of all amounts, obligations, undertakings and liabilities the payment or performance and discharge of which are guaranteed by this Agreement, and no payment hereunder by a Guarantor shall give rise to any claim by such Guarantor against the Bank. No Guarantor shall have any right of subrogation, reimbursement, or indemnity whatsoever nor any right of recourse to security for debts and obligations of the Borrower to Bank unless and until all of said debts and obligations have been paid in full.

Section 10 - Financial Information: Each Guarantor represents and warrants that the financial statements to be delivered to the Bank pursuant to this Section 10 shall be true and correct in all respects when delivered. Each Guarantor shall furnish to the Bank personal financial statements within ninety (90) days of the end of each fiscal year of Borrower,

and upon request by the Bank shall furnish such additional personal financial information as the Bank may desire.

Section 11 - General Covenants of Guarantors:

(a) If the Borrower or any Guarantor should at any time become insolvent or make a general assignment, or if any petition in bankruptcy or any insolvency or reorganization proceedings shall be filed or commenced by, against or in respect of Borrower or any Guarantor, any and all obligations of each Guarantor shall, at your option, forthwith become due and payable without notice.

(b) The books and records of the Bank showing the account between it and the Borrower shall be admissible in any action or proceeding, shall be binding upon each Guarantor for the purpose of establishing the items and amounts therein set forth and shall constitute conclusive proof thereof.

(c) The death of any Guarantor shall not terminate this Guaranty as to such deceased and his estate or as to any other Guarantor and such Guaranty shall be immediately enforceable against the estate of any Guarantor.

(d) Each of the undersigned hereby gives the Bank a lien and right of setoff for all Borrower's Obligations upon and against the deposits, credits and property of each of the undersigned now or hereafter in the possession or control of or in transit to the Bank. The Bank may at any time apply the same or any part thereof to any of Borrower's Obligations, though unmatured, without notice and without first resorting to any other collateral.

(e) Each Guarantor waives: notice of acceptance hereof; presentment and protest of any instrument, and notice thereof; notice of default; and all other notices to which such Guarantor might otherwise be entitled.

Section 12 - Amendments: The terms of this Agreement may not be altered, modified, amended, supplemented or terminated in any manner whatsoever except by a written instrument signed by each party hereto.

Section 13 - Successors and Assigns: This Agreement shall be binding upon and shall inure to the benefit of each Guarantor, the Bank and their respective heirs, executors, administrators, representatives, and permitted successors and assigns.

Section 14 - Applicable Law: This Agreement shall be governed by and construed in accordance with Connecticut law.

Section 15 - Counterparts: This Agreement may be executed, accepted and delivered in any number of counterparts, each of which shall be an original, but such counterparts shall together constitute but one and the same instrument.

Section 16 - Further Assurances: Each Guarantor hereby agrees to execute and deliver all such instruments and take all such action as may from time to time be reasonably requested in order fully to effectuate the purpose of this Agreement.

Section 17 - Notices: All notices, requests, demands and other communications required under this Agreement or in respect hereof (if any) shall be in writing and shall be effective upon either hand delivery or by deposit in the United States mail, by first-class certified mail, postage prepaid, to the parties addressed as follows:

If to the Guarantors, to them at

Christopher McLaughlin
185 South Road
Groton, CT 06340

Northeastern Enterprises, Inc.
232 Rixtown Road
Griswold, CT 06351

Sonoco Service, Inc.
185 South Road
Groton, CT 06340

if to the Bank, to

New England Savings Bank
63 Eugene O'Neill Drive
New London, CT 06320
Attention: Ann E. Chambers

or in such manner, as to any party hereto, as such party shall designate in a written notice to the other parties hereto. A copy of any notice sent to the Bank shall also be sent to:

Pavetti and Freeman
83 Huntington Street
P.O. Box 829
New London, CT 06320
Attention: Jane W. Freeman

Section 18 - Acknowledgement; Waivers: Each Guarantor acknowledges that he has read and understands the provisions of this Agreement and the Loan Documents, and that the Bank has made no representation or warranty in respect of any transaction contemplated hereby or thereby. EACH GUARANTOR HEREBY EXPRESSLY WAIVES ALL RIGHTS WAIVED BY THE BORROWER IN THE MORTGAGE AND CONSENTS TO JURISDICTION AND SERVICE OF PROCESS IN THE MANNER SET FORTH THEREIN. EACH GUARANTOR HEREBY EXPRESSLY WAIVES NOTICE FROM THE BANK OF ITS ACCEPTANCE OF AND RELIANCE ON THIS AGREEMENT. FURTHERMORE, EACH GUARANTOR ACKNOWLEDGES THAT THE LOAN EVIDENCED BY THE NOTE IS A COMMERCIAL TRANSACTION AND WAIVES HIS RIGHTS TO NOTICE AND HEARING UNDER CHAPTER 903a OF THE CONNECTICUT GENERAL STATUTES WITH RESPECT TO ANY "PREJUDGMENT REMEDY", AS DEFINED THEREIN.

Each Guarantor hereby waives presentment, demand for payment by the holder, protest, notice of nonpayment, dishonor, or protest of any Loan Documents hereunder and all other notices and demands as to said Loan Documents.

IN WITNESS WHEREOF, the Guarantors have executed or caused this Agreement to be executed, as of the day and year first above written.

/s/ Mary E. Holzworth
Mary E. Holzworth

/s/ Christopher McLaughlin
Christopher McLaughlin

/s/ Jane W. Freeman
Jane W. Freeman

NORTHEASTERN ENTERPRISES, INC.

/s/ Mary E. Holzworth
Mary E. Holzworth

By /s/ Gary A. Gileau
Gary A. Gileau
Its President

/s/ Jane W. Freeman
Jane W. Freeman

SONECO SERVICE, INC.

/s/ Mary E. Holzworth
Mary E. Holzworth

By /s/ Christopher McLaughlin
Christopher McLaughlin
Its President

/s/ Jane W. Freeman
Jane W. Freeman

STATE OF CONNECTICUT)
)
COUNTY OF NEW LONDON) ss New London

On this the 13th day of September , 1990, before
me, Mary E. Holzworth , the undersigned officer,
personally appeared, Christopher McLaughlin, known to me (or
satisfactorily proven) to be the person whose name is
subscribed to the within instrument and acknowledged that he
executed the same for the purposes therein contained, as his
free act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and official
seal.

 /s/ Mary E. Holzworth
~~XXXXXXXXXXXX~~
Commissioner of the Superior Court

STATE OF CONNECTICUT)
)
COUNTY OF NEW LONDON) ss New London

On this the 13th day of September , 1990, before
me, Mary E. Holzworth , the undersigned officer,
personally appeared, Gary A. Gileau, who acknowledged himself
to be the President of Northeastern Enterprises, Inc., a
corporation, and that he as such President, being authorized so
to do, executed the foregoing instrument for the purposes
therein contained, by signing the name of the corporation by
himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official
seal.

 /s/ Mary E. Holzworth
~~XXXXXXXXXXXX~~
Commissioner of the Superior Court

STATE OF CONNECTICUT)
)
COUNTY OF NEW LONDON) SS New London

On this the 13th day of September, 1990, before me, Mary E. Holzworth, the undersigned officer, personally appeared, Christopher McLaughlin, who acknowledged himself to be the President of Sonoco Service, Inc., a corporation, and that he as such President, being authorized so to do, executed the foregoing instrument for the purposes therein contained, by signing the name of the corporation by himself as President.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

/s/ Mary E. Holzworth
~~Notary Public~~
Commissioner of the Superior Court